

# **Columbia River Crossing: Road to Construction**

## **Policy Statement for Council President Bragdon and Mayor Adams**

December 2, 2009

### **I. Guiding Policy Statement**

A change in direction is needed for the Columbia River Crossing Project to be successfully accomplished. The current proposal is mired in financial challenges, and the region risks missing critical federal deadlines unless we change course. The project refinement recommendation before the PSC would defer or remove certain elements of the proposed project and result in a cost reduction of \$515 - \$650 million, or roughly 15% of project capital costs. We believe that this is a step in the right direction, but more fundamental change is required to:

- match the scope and scale of the project to realistic federal, state and local revenues (including tolls), essentially designing the project to budget
- design the project to achieve specific performance measures
- make essential, urgent project decisions in collaboration with members of the Project Sponsors Council and their staffs
- daylight the project's internal decision making to ensure an unrestricted flow of information to make all of the above possible

In addition, it is important to underscore that we reject calls from project opponents to cancel or “restart” the project, as too much solid work has already been done.

### **II. Refinement Action Requested at December 4<sup>th</sup> PSC Meeting**

We believe that an informed endorsement of any project changes by the PSC is critical to advance the project. However, the materials provided for the December 4<sup>th</sup> meeting do not include adequate analysis of “refinement” impacts to support a decision. The PSC has previously requested that the project team use the performance measures being developed by the Performance Measures Advisory Group to guide the project refinement process and assess the effect on key interests and stakeholders, such as the freight industry and the ports. We have not yet seen analysis of potential refinements according to those specific measures.

While we understand the need to move the project forward, the likely 18-month delay in federal transportation bill reauthorization gives us a window to make sure we get the project right.

We believe the current proposal contains incomplete and potentially flawed assumptions underlying the original proposal, particularly assumptions about demand forecasts, tax and toll revenues available for the project, and what those revenues can buy. In addition, we need to see performance-based criteria used to guide reconfiguration of the project, as the PSC has requested. The Project Sponsor Council needs to see clearly how the project – and proposed refinements – stack up against those criteria, including cost.

We are proposing that PSC agency staff work directly with CRC project staff in a short, defined window to continue the current refinement work to create a realistic road to construction that includes:

1. A reliable budget based on realistic revenue projections;
2. A realistic assessment of the relationship between tolls, updated demand forecasts, desired land use patterns and size of the CRC facilities
3. Project elements that are firmly based in performance outcomes
4. Recognition that the interstate system must function in concert with local systems

In short, we believe the Project Sponsors Council needs to make decisions about the many attributes of the project based on how different options perform, for the goals we all agree on. We need to have that information before us so we can realistically evaluate options and buy the best product which available resources can buy.